Supreme Court, U.S.
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No. 99-1968

IN THE

Supreme Court of the United States

ARTHUR VANMOOR,

Petitioner,

v.

WAL-MART STORES, INC., BUILDER'S SQUARE, INC., HOME DEPOT USA, INC., (doing business as Home Depot), RED DEVIL, INC., SONOCO PRODUCTS COMPANY, FEDERAL PACKAGING CORPORATION, THE GLIDDEN COMPANY,

Respondents.

On Petition for a Writ of Certiorari To the United States Court of Appeals For the Federal Circuit

RESPONDENTS' BRIEF IN OPPOSITION

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QUESTIONS PRESENTED

Respondents Wal-Mart Stores, Inc., Builder's Square, Inc., Home Depot USA, Inc., Red Devil, Inc., Sonoco Products Company, Federal Packaging Corporation and The Glidden Company (hereinafter "Respondents") object to Petitioner Vanmoor's statement of the Questions Presented For Review as being incomplete and for raising one question (Question No. 2) for the first time in this proceeding. In order to clarify the issues, the Respondents have taken the Petitioner's statement of Question Nos. 1 and 3 and added the missing factual predicate (shown in italics below). Question No. 2 is improperly raised at this point in the proceeding and should be disregarded.

1. When the defendant in a patent infringement case claims prior use and sale that would invalidate the patent, *and does so based upon its own prior use and sale of the very products that the plaintiff has accused of infringing every claim of the patent in suit,* does the plaintiff's allegation of current infringement satisfy the defendant's burden of proving that the products that were the subject of the pre-critical date sales anticipated the claimed invention?

2. [omitted].

3. Where Section 282 of the Patent Statutes states that "each claim of a patent . . . shall be presumed valid independently of the validity of other claims," *but where the defendant has shown with undisputed evidence that the products accused by the plaintiff of infringing every claim of the patent in suit have been sold by the defendant since before the critical date of the patent,* can the court summarily declare *the claims of the patent invalid without addressing in its order each of the specific claims of the patent?*

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RESPONDENTS' BRIEF IN OPPOSITION

Respondents Wal-Mart Stores, Inc., Builder's Square, Inc., Home Depot USA, Inc., Red Devil, Inc., Sonoco Products Company, Federal Packaging Corporation and The Glidden Company (collectively "Respondents"[1]) respectfully oppose Petitioner Arthur Vanmoor's ("Vanmoor's") Petition for a

[1] Pursuant to this Court's Rule 29.6, Respondent Federal Packaging Corporation is a wholly-owned subsidiary of Caraustar Industries, Inc., which is publicly traded; and Respondent The Glidden Company is affiliated with ICI Chemical Industries PLC, which is publicly traded. All other Respondents are unaffiliated companies.

Writ of Certiorari to review the Judgment of the United States Court of Appeals for the Federal Circuit.

OPINIONS BELOW

Respondents concur in Vanmoor's identification of the opinions of the District Court and the Federal Circuit that underlie his Petition.

STATEMENT OF THE CASE

The issue before the Court is whether there are "compelling reasons" for the Court to review the Federal Circuit's January 10, 2000 decision in this matter. Specifically, the questions raised by the Petition focus on whether the Federal Circuit correctly and properly applied procedural and substantive law in affirming the District Court's Order granting Respondents' motion for summary judgment that all six (6) claims of Vanmoor's U.S. Patent No. 5,582,331 ("the '331 patent") are invalid under 35 U.S.C. § 102(b). As shown below, Vanmoor's Petition is unsupported by fact or law and should be denied.

A. The District Court Proceedings

As remains pertinent to Vanmoor's Petition, this is a patent infringement case wherein Vanmoor has sued the Respondents for infringement of every claim of the '331 patent. Each of the Respondents responded to Vanmoor's allegations by denying infringement and raising certain affirmative defenses and/or counterclaims, including the defense and counterclaim that the '331 patent was invalid under the "on-sale" and "public use" bars of 35 U.S.C. § 102(b). During the pre-trial phase of the case, the Respondents joined in filing a motion for summary judgment seeking a determination by the District Court that the '331 patent was invalid as a matter of law because certain of the caulking cartridge products that had been accused of

infringement were identical to cartridges manufactured, sold and used publicly since well before the "critical date" of the '331 patent, September 13, 1994.

A detailed explanation of the subject matter of the '331 patent is not necessary to the Court's disposition of Vanmoor's Petition. Suffice it to say here that the '331 patent is directed to products that consist of a cylindrical cartridge tube with a dispensing spout at one end and a moveable backwall or plunger positioned within the tube at the other end. In operation, the plunger is pushed into the tube by the ram or actuator of the caulking gun, causing caulking compound or other material contained within the tube to be dispensed through the spout. The '331 patent includes six (6) claims; claims 1, 5 and 6 of which are independent; claims 2-4 of which depend from claim 1.

The alleged invention claimed by the '331 patent resides in part in providing a space between the outer diameter of the plunger and the inner diameter of the tube so that the plunger will move away from the spout in response to built-up pressure within the tube when the pushing force on the plunger is released. This rearward movement of the plunger solves an alleged problem called "after flow," *i.e.* the unwanted dispensation of the tube contents from the spout after the pushing force is released.

Vanmoor's infringement allegations are directed at eight caulking cartridges, three of which, Defendants' Deposition Exhibits 16, 19 and 20, were the subjects of Respondents' motion for summary judgment. Respondents' motion for summary judgment was supported by the affidavits of two employees of Respondent Sonoco Products Company, Mr. Daniel Abernathy and Mr. Kent Lefebvre. As set forth in their respective affidavits, Messrs. Abernathy and Lefebvre were able to determine from telltale manufacturing artifacts shown in photographs of the actual accused cartridges (Defendants' Deposition Exhibits 16, 19 and 20) that the

particular tubes and plungers of these accused products were manufactured to the same specifications as had been used by Sonoco for these products since well before the September 1994 critical date of the '331 patent. The affidavits of Messrs. Abernathy and Lefebvre were corroborated by dated business records of Sonoco, including the pertinent manufacturing specifications. Further, during his deposition, Mr. Lefebvre testified regarding certain invoices and shipping documents related to Sonoco products sold before the critical date of the '331 patent, which products were sold in volume and manufactured to the same diameter specifications (for both plungers and tubes) that were still in place at the time of his affidavit.

Respondents' motion for summary judgment conclusively demonstrated that certain of the products specifically accused by Vanmoor of infringing all six claims of his '331 patent were of prior art construction, and thus clearly presented a *prima facie* case that all six claims of the '331 patent were invalid under 35 U.S.C. § 102(b). It was therefore incumbent on Vanmoor to come forward with competent proof that raised a genuine issue of material fact for trial.

As the District Court properly concluded, Vanmoor did not satisfy this burden. Indeed, even though he was afforded all requested discovery, Vanmoor failed to produce any evidence whatsoever showing or suggesting that changes were made to the prior art cartridges after the critical date. Instead, Vanmoor produced the affidavit of an alleged molds expert who testified only that one *could* change the dimensions of the cartridge components *if one wanted to do so.* As a result, the record stands uncontroverted that the cartridge components accused by Vanmoor of infringing the '331 patent have remained unchanged since well before the critical date of Vanmoor's patent.

For these reasons, and in accordance with the Federal Circuit's decision on like facts in *Evans Cooling Sys. Inc. v.*

General Motors Corp., 125 F.3d 1448 (Fed. Cir. 1997) *cert. denied*, 118 S.Ct. 1050 (1998), and this Court's decision in *Pfaff v. Wells Electronics, Inc.*, 525 U.S. 55 (1999), the District Court properly held that the accused cartridges were prior art products that rendered the claims of the '331 patent invalid as a matter of law. Specifically, the District Court acknowledged the single affidavit submitted by Vanmoor in response to Respondents' motion stating:

> . . . Vanmoor has submitted only one affidavit, from Kevin Paul Ross, a molds expert, who essentially states that the actual products manufactured from the [Respondents'] molds may have varied from the drawings. The expert concludes that the actual dimensions of the products can only be determined by micro-measurements of the products itself [sic].
>
> The Court finds that Vanmoor's response consists of mere conclusory allegations, which are insufficient to defeat a motion for summary judgment. Moreover, Vanmoor has failed to submit any evidence to raise a genuine issue of material fact that the subject products were not in public use and for sale prior to the critical date. Because the Court finds that the [Respondents] have established by clear and convincing evidence that the allegedly infringing products were for sale and in public use prior than the critical date of September 13, 1994, the [Respondents] are entitled to summary judgment on the patent infringement claim.

(Pet. App. p. 7a).

Of particular note, nowhere before the District Court did Vanmoor argue in response to Respondents' motion that this Court's decision in *Pfaff* was inapplicable because the prior art on which Respondents' motion was based originated with the Respondents rather than the inventor of the '331 patent. That is, Question No. 2 of Vanmoor's Petition to this Court was not raised before the District Court.

B. The Appellate Proceedings

The Federal Circuit considered each of Vanmoor's allegations of error and unanimously held, after a *de novo* review of the record, that "[b]ecause we agree with the district court that Vanmoor has not raised a genuine issue as to any material fact, and that [the Respondents] are entitled to judgment as a matter of law, we affirm." (Pet. App. at 11a). In doing so, the Federal Circuit expressly acknowledged and rejected Vanmoor's arguments, expressed as Question Nos. 1 and 3 in his Petition, that the Respondents did not meet their burden of proving by clear and convincing evidence that the cartridges that were the subject of pre-critical date sales anticipated each of the claims of the '331 patent. (Pet. App. at 14a). Specifically, the Federal Circuit stated:

> ...This appeal does not come to us as a "typical case where the patentee has placed some device on sale prior to the critical date and the accused infringer must demonstrate that this device actually embodied or rendered obvious the patented invention." *Evans Cooling Sys. Inc. v. General Motors Corp.*, 125 F.3d 1448, 1451, 44 U.S.P.Q.2d (BNA) 1037, 1039-40 (Fed. Cir. 1997). As was the case in *Evans Cooling*, the entire basis of the patent infringement claim is Vanmoor's (the patentee's) contention that the accused cartridges infringe the '331 patent. *See id.* [Respondents] denied that the accused cartridges infringe but have, "by conceding infringement for purposes of the summary judgment motion and [their] on sale defense, properly pled in the alternative." *Id.* (citing Fed. R. Civ. P. 8(3)(1997)). Although [Respondents] bore the burden of proving that the cartridges that were the subject of the pre-critical date sales anticipated the '331 patent, that burden was satisfied by Vanmoor's allegation that the accused cartridges infringe the '331 patent. *See id.* (holding patent invalid under on-sale bar where accused

product was offered for sale prior to the critical date of the patented invention).

(Pet. App. at 14a-15a).

As before the District Court, Vanmoor omitted to raise the issue denominated in his Petition as Question No. 2 before the Federal Circuit.

On March 7, 2000, the Federal Circuit denied Vanmoor's Petition for Rehearing and Suggestion for Rehearing *En Banc*. (Pet. App. at 17a).

SUMMARY OF ARGUMENT

Vanmoor's Petition, like his arguments before the District Court and the Federal Circuit, overlooks the legal implications of his allegation that the cartridge products that are the subject of Respondents' motion for summary judgment infringe each of the claims of the '331 patent. That allegation, which is steadfastly maintained by Vanmoor, plus the undisputed proof filed in support of Respondents' motion that the accused products had been on sale and in public use since well before the critical date of the '331 patent, dooms Vanmoor's legal position in this proceeding. Vanmoor has committed the gross error of judicially admitting that the undisputed prior art is covered by the claims of his patent. Recognizing this fatal error, the District Court and the Federal Circuit rendered the only judgment legally proper under the circumstances. The '331 patent is invalid.

In his Petition, Vanmoor has tried to do that which legally he cannot do. He seeks to turn contradictory legal arguments into genuine issues of material fact in order to gain review by this Court of established precedent for which review has previously been denied. Further, he seeks to raise belatedly an issue that was not raised in the courts below.

There is nothing improper or surprising about a legal result that a patent is invalid where its owner asserts an

infringement claim against that which is undisputedly in the prior art. The old patent law axiom that "that which infringes, if later, would anticipate, if earlier" is precisely for such a circumstance. *See Polaroid Corp. v. Eastman Kodak Co.*, 789 F.2d 1556, 1573 (Fed. Cir. 1986) (*citing Peters v. Active Mfg. Co.*, 129 U.S. 530, 537 (1889)).

Because Vanmoor failed to carry his burden of coming forward with competent evidence that raises any genuine issue of material fact and because on the record before the Court the Respondents are entitled to judgment as a matter of law, summary judgment against Vanmoor was and is clearly appropriate. *See Anderson v. Liberty Lobby, Inc.*, 477 U.S. 242, 247-49 (1986); *Celotex Corp. v. Catrett*, 477 U.S. 317, 322 (1986); *Matsushita Elec. Indus. Co. Ltd. v. Zenith Radio Corp.*, 475 U.S. 574, 585-87 (1986).

REASONS FOR DENYING VANMOOR'S PETITION

This Petition arises out of an unremarkable grant of summary judgment which, after *de novo* review, was unanimously affirmed by the Federal Circuit in a well-reasoned opinion. As shown herein, Vanmoor simply failed to carry his burden in responding to Respondents' fully-supported motion for summary judgment. Nothing about this case presents "compelling reasons" why the Federal Circuit's decision should be reversed. *See* Rule 10, Sup.Ct.R. To the contrary, given the clear record below, Vanmoor's Petition raises only an allegation that "properly stated rule[s] of law" have been misapplied. *Id.*

A. The District Court and The Federal Circuit Correctly and Properly Applied Rule 56, FED.R.CIV.P., and The Controlling Precedent

As indicated by the above-quoted portions of the Federal Circuit's decision and a review of the District Court's well-

reasoned decision, both lower courts correctly and properly applied Rule 56(c), Fed.R.Civ.P., and the controlling precedent of this Court in disposing of Respondents' motion for summary judgment. Contrary to the suggestions of Vanmoor's Petition, neither lower court inappropriately failed to hold the Respondents' to their burden of proving that each claim of the '331 patent was invalid based on clear and convincing evidence. Rather, both courts recited and followed this Court's controlling authority on how properly to dispose of a motion for summary judgment. Both courts considered the evidence of record in a light most favorable to Vanmoor, the non-moving party, and drew all reasonable inferences in his favor. *See Anderson,* 477 U.S. at 225 (*citing Adickes v. S.H. Kress & Co.,* 398 U.S. 144, 158-59 (1970)). Similarly, both courts referred to and followed this Court's decision in *Pfaff,* which detailed the applicable substantive patent statute, *i.e.* 35 U.S.C. § 102(b).

In particular, the Federal Circuit properly disposed of Vanmoor's allegation that the Respondents had failed to prove that their prior art products satisfied the limitations of the six claims of the '331 patent, by making reference to Vanmoor's allegation (which he maintained in his brief to the Federal Circuit) that the products upon which Respondents' motion was based, infringed all of the claims of his patent. The Court also referred to the Respondents' admission of infringement for the purpose of their motion. In so doing, the Federal Circuit followed its own established precedent to correctly answer Question Nos. 1 and 3 herein.

Vanmoor's Petition simply seeks to have matters both ways. He seeks a result whereby the accused cartridges fall within his patent claims for infringement purposes, but where these same cartridges (or exact prior art duplicates thereof) fall outside of his claims for invalidity purposes. This, the courts below could not properly do, as both courts recognized and held. Again, "that which infringes, if later, would

anticipate, if earlier." *Polaroid*, 789 F.2d at 1573. Vanmoor's arguments to the contrary have not gained strength through repetition; Vanmoor had his "day in court" and lost.

Vanmoor fairs no better on his improper Question No. 2 than he does on Question Nos. 1 and 3. Question No. 2 seeks to have this Court create an exception to the "on-sale" bar as applied in this Court's decision in *Pfaff*. 525 U.S. 55. The problem with Vanmoor's plea is twofold. First, Question No. 2 was nowhere raised by Vanmoor in the courts below, which is reason enough alone not to consider it now.

Second, Vanmoor's position that 35 U.S.C. § 102(b) applies only with respect to prior sales or uses originating with the patentee/inventor, finds no support in the governing statute or in the case law. In fact, the law is clearly to the contrary. In *Electric Storage Battery Co. v. Shimadzu*, this Court held that two patents owned by Shimadzu were invalid under the predecessor to 35 U.S.C. § 102(b) based upon the public use, *by the defendant*, of the very apparatus and process accused by the patentee of infringement. 307 U.S. 5, 17-18 (1939). The facts in the *Electric Storage Battery* case are in all material respects the same as those of this case. Vanmoor is simply grasping for straws that do not exist.

B. VanMoor's Real Quarrel Is With Established Law, Not With The Decision of The Federal Circuit in This Case

In reality, Vanmoor's Question Nos. 1 and 3 seek review of the precedent set forth in the Federal Circuit's decision in *Evans Cooling Sys. Inc. v. General Motors Corp.*, 125 F.3d at 1451, not its decision in this case. In *Evans Cooling*, as in this case, the patentee accused the defendant of infringing his patent for making and selling an accused product that turned out to be within the prior art. In disposing of that case, the Federal Circuit stated:

> ...This is not the typical case where the patentee has placed some device on sale prior to the critical date and the accused infringer must demonstrate that this device actually embodied or rendered obvious the patented invention. Here, the entire basis of the lawsuit is Evans'—the patentee's—contention that the LT1 engine—the device that was put on sale—contains a cooling system that infringes. GM denied that the LT1 engine infringed the '636 patent but, by conceding infringement for purposes of the summary judgment motion and its on sale defense, properly pled in the alternative. *See* Fed. R. Civ. P. 8(e) (1997) ("A party may set forth two or more statements of a claim or defense alternatively or hypothetically, either in one count or defense or in separate counts or defenses.") Although GM bore the burden of proving that the LT1 engine embodied the patented invention or rendered it obvious for purposes of the summary judgment motion, this burden is met by Evans' allegation, forming the sole basis for the complaint, that the LT1 engine infringes. Indeed, even on appeal, Evans states in its brief, directed only to the on sale issue, that "GM uses an aqueous reverse flow cooling system in its LT1 engine."

Id. at 1451.

Thus, in deciding this case, the Federal Circuit did nothing novel; its decision comports completely with precedent for which review by this Court has previously been denied. 118 S.Ct. 1050 (1998). Nothing about this unremarkable case warrants the expense of this Court's resources.

CONCLUSION

For all the foregoing reasons, Vanmoor's Petition should be denied.

Respectfully submitted,

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